

**DISCLAIMER**

*This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).*

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 8, 1999

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

V.

CASE NO. PUE990006

WEST ROCKINGHAM WATER COMPANY, INC.

RULE TO SHOW CAUSE

On February 9, 1999, the Commission Staff, by its counsel, filed a motion in the above referenced matter. In that motion, Staff requested that the Commission, pursuant to its authority under §§ 56-35 and -265.6 of the Code of Virginia ("Code"), issue a rule requiring West Rockingham Water Company, Inc. ("WRWC" or "the Company") to show cause, if any there may be, why it should not be found in violation of § 56-265.13:4 of the Code and should not have its water Certificate No. W-282 revoked, altered, or amended unless the Company agrees: (i) to bring the water system into compliance with both United States Environmental Protection Agency ("EPA") and Virginia Waterworks regulations by installing sufficient filtration and disinfection systems to solve the surface water problems; and (ii) to conduct a thorough study of the entire system and, within six months of the date of the Order herein, present a plan to solve the source and infrastructure problems with the system, including but not

limited to resolution of the frequent breaks in lines which result in pressure loss and periodic water outages.

Specifically, Staff alleges:

(1) That WRWC is a certificated public service company providing water service to approximately 61 customers in the Lily Gardens and Sunset subdivisions in Rockingham County, Virginia;

(2) That WRWC is subject to the Small Water or Sewer Public Utility Act ("SWSA");

(3) That customers have filed a complaint petition alleging service problems due to numerous service shortages and the lack of an adequate filtration system;

(4) That customers have reported at least one occasion where, as a result of a water shortage, their water usage was restricted to a six-hour period per day for approximately two weeks;

(5) That the Virginia Department of Health-Office of Water Programs has determined that WRWC's groundwater well sources have been under the direct influence of surface water since September 1995, thereby failing to comply with U.S. EPA and Virginia Waterworks regulations;

(6) That, in a letter to the Commission's Division of Energy Regulation, the Company stated it was preparing a plan of action to solve the filtration, infrastructure, and source

problems but subsequently informed the Commission that no such plan would be forthcoming until after the Company received a rate increase;

(7) That the condition of the WRWC water system and its effects on customers represent a failure to provide "reasonably adequate services and facilities" in violation of § 56-265.13:4 of the Code; and

(8) That WRWC's failure to comply with the above referenced United States EPA and Virginia Waterworks regulations constitutes failure to provide "reasonably adequate services and facilities" in violation of § 56-265.13:4 of the Code.

NOW THE COMMISSION, having considered the above referenced allegations, is of the opinion that a Rule to Show Cause should be issued against the Company. Accordingly,

IT IS THEREFORE ORDERED THAT:

(1) A Rule to Show Cause hereby is issued against WRWC to appear in the Commission's Second Floor Courtroom at 10:00 a.m. on Thursday, May 6, 1999, to show cause, if any there may be, (1) why the Company should not be found in violation of § 56-265.13:4 of the Code; and (2) why the Company should not have its water Certificate No. W-282 revoked, altered, or amended unless the Company agrees: (i) to bring the water system into compliance with both United State Environmental Protection Agency ("EPA") and Virginia Waterworks regulations by installing

sufficient filtration and disinfection systems to solve to surface water problems; and (ii) to conduct a thorough study of the entire system and, within six months of the date of the Order herein, present a plan to solve the source and infrastructure problems with the system, including but not limited to resolution of the frequent breaks in lines which result in pressure loss and periodic water outages. The Commission's Second Floor Courtroom is located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219.

(2) WRWC file with the Clerk of the Commission, on or before April 9, 1999, an original and fifteen (15) copies of a Responsive Pleading in which it expressly admits or denies the allegations contained in this Rule to Show Cause. If WRWC denies any of the allegations, it shall set forth in its Responsive Pleading a full and clear statement of the facts which it is prepared to prove by competent evidence that refute the allegations so denied. The Company shall expressly indicate in its Responsive Pleading whether or not it desires and intends to be heard before the Commission on the scheduled hearing date. The Responsive Pleading shall be delivered to the Clerk, State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218.

(3) WRWC shall be in default if it fails to file in a timely manner either the Responsive Pleading, as set forth

above, or other proper pleading, or if it files such a pleading and fails to make an appearance at the hearing. In either of these events it shall be deemed to have waived all objections to the admissibility of the evidence, and it may have entered against it a judgement by default imposing some or all of the aforementioned sanctions.

(4) Pursuant to Rule 7:1 of the Commission's Rules of Practice and Procedure, a hearing examiner is appointed to conduct further proceedings in this matter.